

Message Text

CONFIDENTIAL

PAGE 01 ABU DH 00268 251021Z
ACTION NEA-10

INFO OCT-01 ISO-00 L-03 EB-08 COME-00 TRSE-00 OMB-01 STR-04
H-01 CIAE-00 INR-07 NSAE-00 OPIC-03 /038 W
-----251024Z 034922 /21
P 250958Z JAN 77
FM AMEMBASSY ABU DHABI
TO SECSTATE WASHDC PRIORITY 5521

C O N F I D E N T I A L ABU DHABI 0268

E.O. 11652: GDS
TAGS : ETRD, TC
SUBJECT : ARAB BOYCOTT: UAE BID PROCEDURES

REF: STATE 11932 STATE 13566

1. ON JAN. 23, AMBASSADOR ALSO RAISED WITH UAE MINSTATE FOR FOREIGN AFFAIRS SAIF GHUBASH WHETHER UAEG WOULD BE WILLING QUIETLY TO MAKE EXCEPTIONS TO BOYCOTT REQUIREMENTS IN ITS TENDER DOCUMENTS FOR AMERICAN CONTRACTORS BY ACCEPTING (A) POSITIVE CERTIFICATES OF ORIGIN FOR ANY MATERIALS USED BY THE CONTRACTOR AND (B) A POSITIVE CERTIFICATE FROM CONTRACTOR SETTING FORTH WHICH FIRMS CONTRACTOR WOULD BE DEALING WITH OR SUBCONTRACTING WITH (LEAVING FOR UAEG TO DETERMINE WHETHER FIRMS CONTRACTOR DEALING WITH ARE ACCEPTABLE). DURING CONVERSATION, AMBASSADOR SPECIFICALLY RAISED QUESTION WHETHER AT LEAST AN EXCEPTION COULD BE MADE FOR BID PREPARATION, LEAVING QUESTION OF BOYCOTT PROCEDURES TO LATER NEGOTIATION AFTER SUCCESSFUL FIRM WAS CHOSEN. THIS WOULD ALLOW UAEG TO RECEIVE LARGER NUMBER OF BIDS AND WOULD INCREASE COMPETITIVE BIDDING. AMBASSADOR STRESSED LATTER POINT IN PARTICULAR BECAUSE HE SAID SEVERAL US FIRMS WERE NOW HESITANT TO BID ON PROJECTS IN UAE FOR FEAR THAT THEY WOULD LOSE BID BOND IN EVENT THEIR SUCCESSFUL BID WERE FOLLOWED BY DISAGREEMENT OVER BOYCOTT CONDITIONS.

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 ABU DH 00268 251021Z

2. GHUBASH'S RESPONSE WAS NOT VERY ENCOURAGING. WHILE UAE HAS ACCEPTED POSITIVE CERTIFICATES OF ORIGIN FOR IMPORTED COMMODITIES FROM U.S., IT HAS SIMPLY ALLOWED THIS TO HAPPEN. UAEG WAS NOT GOING TO "TAKE THE LEADING EDGE" BY ISSUING WRITTEN INSTRUCTIONS TO AUTHORIZE THIS. IF ARAB LEAGUE BOYCOTT OFFICE WERE PREPARED TO TAKE THIS STEP,

UAE WOULD GO ALONG WILLINGLY, HOWEVER. WITH REGARD TO BIDDING PROCEDURES, GHUBASH RECALLED THAT SIMILAR APPROACH HAD BEEN MADE DURING VISIT OF TREASURY ASSISTANT SECRETARY PARSKY (SEE 76 ABU DHABI 3141) AND HAD BEEN DISCUSSED WITHIN UAEG BY FONMIN SUWAIDI AND OTHER UAE OFFICIALS. GHUBASH SAID UAE DID NOT WANT TO HAVE DIFFICULTIES WITH US AND WANTED PARTICIPATION OF US FIRMS. HOWEVER, HE SAID HE HOPED USG WOULD UNDERSTAND THAT UAE WAS "NOT PREPARED TO BE INNOVATIVE" ON BOYCOTT ISSUES AND DID NOT INTEND TO TAKE FLAK ON THIS MATTER FROM OTHER ARAB COUNTRIES.

3. FYI: EMBASSY IS CONTINUING TO EXPLORE WHETHER UAEG WILL ACCEPT CERTIFICATION FROM A US CONTRACTING FIRM WHICH WOULD STATE THAT LAW OF UAEG WILL APPLY IN PLACE OF TENDER DOCUMENT REQUIREMENT FOR CERTIFICATION BY BIDDER THAT GOODS MANUFACTURED BY BOYCOTTED COMPANIES WILL NOT BE IMPORTED AND THAT SHIPS ON BLACK-LIST WILL NOT BE USED. END FYI.

4. WE LEAVE IT TO DEPARTMENT DISCRETION WHAT TO TELL GROVES. WE UNDERSTAND FROM LOCAL REPS THAT THERE IS CONSIDERABLE CONFUSION AND DISAGREEMENT WITHIN GROVES ORGANIZATION OVER WHAT APPROACH GROVES SHOULD TAKE IN MEETING UAEG BIDDING REQUIREMENTS WITH MOST CAUTIOUS VOICES OBJECTING EVEN TO ANY MENTION OF PRIMARY BOYCOTT (I.E. AFFIRMATION THAT NO GOODS WILL BE IMPORTED FROM ISRAEL OR THAT NO ISRAELI CARRIERS WILL BE USED).
DICKMAN

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: BOYCOTTS
Control Number: n/a
Copy: SINGLE
Sent Date: 25-Jan-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977ABUDH00268
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D770026-0630
Format: TEL
From: ABU DHABI
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770122/aaaaatip.tel
Line Count: 89
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 25082bd2-c288-dd11-92da-001cc4696bcc
Office: ACTION NEA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 77 STATE 11932
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 24-Mar-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3516621
Secure: OPEN
Status: NATIVE
Subject: ARAB BOYCOTT: UAE BID PROCEDURES
TAGS: ETRD, TC
To: STATE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/25082bd2-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009